



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 28, 2008

### **H.R. 2342**

### **National Integrated Coastal and Ocean Observation Act of 2008**

*As ordered reported by the House Committee on Natural Resources on March 12, 2008*

#### **SUMMARY**

H.R. 2342 would direct the National Ocean Research Leadership Council to develop and operate an integrated coastal and ocean observation system, including ocean monitoring, data analysis, and research. The council, which was established in 1996, includes the National Oceanic and Atmospheric Administration (NOAA), the Navy, the National Science Foundation (NSF), the National Aeronautics and Space Administration, the U.S. Coast Guard, and other federal agencies.

The costs of carrying out the requirements of H.R. 2342 are difficult to predict because the parameters of the observation system have not been determined by the council. It is also possible that some aspects of the system would be funded and implemented in the absence of this legislation. Based on available information and assuming appropriation of the necessary amounts, CBO estimates that implementing the bill would require funding of about \$1.8 billion over the 2009-2013 period and about \$600 million annually thereafter. We estimate that enacting the bill would not affect direct spending or revenues.

H.R. 2342 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

#### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of H.R. 2342 is shown in the following table. The costs of this legislation fall within budget functions 050 (national defense), 250 (general science, space, and technology), 300 (natural resources and environment), and 400 (transportation).

	By Fiscal Year, in Millions of Dollars				
	2009	2010	2011	2012	2013
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>					
Estimated Authorization Level	100	250	350	500	600
Estimated Outlays	70	155	260	380	485

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that the amounts necessary to carry out H.R. 2342 will be appropriated for each fiscal year and that outlays will follow historical spending patterns for similar activities. This estimate is based on information provided by NOAA, the U.S. Commission on Ocean Policy, and other federal agencies and nonprofit organizations.

Based on projections and timetables developed by the U.S. Commission on Ocean Policy, CBO estimates that developing the infrastructure for a fully integrated coastal and ocean observation system would require about \$200 million over the next two years. This amount would be used to improve existing systems operated by federal agencies such as NOAA, establish regional observing systems, and develop new sensor technologies, forecasting models, and other system products. CBO expects that initial system operations would commence in 2010; once fully operational (by 2013), the system would require annual funding of \$600 million.

CBO expects that much of the spending to develop and operate the coastal and ocean observation system could occur even in the absence of this legislation. For fiscal year 2008, the Congress appropriated more than \$25 million to NOAA for activities similar to those authorized by H.R. 2342, including ocean observing and assessment projects. Other agencies such as the Navy and the NSF also receive appropriations for ongoing programs related to ocean observing.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

H.R. 2342 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

## **PREVIOUS CBO ESTIMATE**

On November 9, 2007, CBO transmitted a cost estimate for H.R. 3221, the Renewable Energy and Conservation Tax Act of 2007, as passed by the House of Representatives on August 4, 2007. On July 13, 2007, we transmitted a cost estimate for H.R. 2337, the Energy Policy Reform and Revitalization Act of 2007, as ordered reported by the House Committee on Natural Resources on June 13, 2007. Both H.R. 3221 and H.R. 2337 contained provisions that are very similar to those of H.R. 2342, and the estimated costs of those provisions in the three versions of the legislation are identical. CBO also transmitted a cost estimate for S. 950, the Coastal and Ocean Observation System Act of 2007, as ordered reported by the Senate Committee on Commerce, Science, and Transportation on June 27, 2007. S. 950 is also similar to H.R. 2342, but, as reflected in the cost estimate for that legislation, it contained specified authorization levels and included additional programs.

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